

1 AN ACT concerning schools.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The School Code is amended by changing
5 Section 18-8.05 as follows:

6 (105 ILCS 5/18-8.05)

7 Sec. 18-8.05. Basis for apportionment of general State
8 financial aid and supplemental general State aid to the
9 common schools for the 1998-1999 and subsequent school years.

10 (A) General Provisions.

11 (1) The provisions of this Section apply to the
12 1998-1999 and subsequent school years. The system of general
13 State financial aid provided for in this Section is designed
14 to assure that, through a combination of State financial aid
15 and required local resources, the financial support provided
16 each pupil in Average Daily Attendance equals or exceeds a
17 prescribed per pupil Foundation Level. This formula approach
18 imputes a level of per pupil Available Local Resources and
19 provides for the basis to calculate a per pupil level of
20 general State financial aid that, when added to Available
21 Local Resources, equals or exceeds the Foundation Level. The
22 amount of per pupil general State financial aid for school
23 districts, in general, varies in inverse relation to
24 Available Local Resources. Per pupil amounts are based upon
25 each school district's Average Daily Attendance as that term
26 is defined in this Section.

27 (2) In addition to general State financial aid, school
28 districts with specified levels or concentrations of pupils
29 from low income households are eligible to receive
30 supplemental general State financial aid grants as provided
31 pursuant to subsection (H). The supplemental State aid grants

1 provided for school districts under subsection (H) shall be
2 appropriated for distribution to school districts as part of
3 the same line item in which the general State financial aid
4 of school districts is appropriated under this Section.

5 (3) To receive financial assistance under this Section,
6 school districts are required to file claims with the State
7 Board of Education, subject to the following requirements:

8 (a) Any school district which fails for any given
9 school year to maintain school as required by law, or to
10 maintain a recognized school is not eligible to file for
11 such school year any claim upon the Common School Fund.
12 In case of nonrecognition of one or more attendance
13 centers in a school district otherwise operating
14 recognized schools, the claim of the district shall be
15 reduced in the proportion which the Average Daily
16 Attendance in the attendance center or centers bear to
17 the Average Daily Attendance in the school district. A
18 "recognized school" means any public school which meets
19 the standards as established for recognition by the State
20 Board of Education. A school district or attendance
21 center not having recognition status at the end of a
22 school term is entitled to receive State aid payments due
23 upon a legal claim which was filed while it was
24 recognized.

25 (b) School district claims filed under this Section
26 are subject to Sections 18-9, 18-10, and 18-12, except as
27 otherwise provided in this Section.

28 (c) If a school district operates a full year
29 school under Section 10-19.1, the general State aid to
30 the school district shall be determined by the State
31 Board of Education in accordance with this Section as
32 near as may be applicable.

33 (d) (Blank).

34 (4) Except as provided in subsections (H) and (L), the

1 board of any district receiving any of the grants provided
2 for in this Section may apply those funds to any fund so
3 received for which that board is authorized to make
4 expenditures by law.

5 School districts are not required to exert a minimum
6 Operating Tax Rate in order to qualify for assistance under
7 this Section.

8 (5) As used in this Section the following terms, when
9 capitalized, shall have the meaning ascribed herein:

10 (a) "Average Daily Attendance": A count of pupil
11 attendance in school, averaged as provided for in
12 subsection (C) and utilized in deriving per pupil
13 financial support levels.

14 (b) "Available Local Resources": A computation of
15 local financial support, calculated on the basis of
16 Average Daily Attendance and derived as provided pursuant
17 to subsection (D).

18 (c) "Corporate Personal Property Replacement
19 Taxes": Funds paid to local school districts pursuant to
20 "An Act in relation to the abolition of ad valorem
21 personal property tax and the replacement of revenues
22 lost thereby, and amending and repealing certain Acts and
23 parts of Acts in connection therewith", certified August
24 14, 1979, as amended (Public Act 81-1st S.S.-1).

25 (d) "Foundation Level": A prescribed level of per
26 pupil financial support as provided for in subsection
27 (B).

28 (e) "Operating Tax Rate": All school district
29 property taxes extended for all purposes, except Bond and
30 Interest, Summer School, Rent, Capital Improvement, and
31 Vocational Education Building purposes.

32 (B) Foundation Level.

33 (1) The Foundation Level is a figure established by the
34 State representing the minimum level of per pupil financial

1 support that should be available to provide for the basic
2 education of each pupil in Average Daily Attendance. As set
3 forth in this Section, each school district is assumed to
4 exert a sufficient local taxing effort such that, in
5 combination with the aggregate of general State financial aid
6 provided the district, an aggregate of State and local
7 resources are available to meet the basic education needs of
8 pupils in the district.

9 (2) For the 1998-1999 school year, the Foundation Level
10 of support is \$4,225. For the 1999-2000 school year, the
11 Foundation Level of support is \$4,325. For the 2000-2001
12 school year, the Foundation Level of support is \$4,425. For
13 the 2001-2002 and 2002-2003 school years, the Foundation
14 Level of support is \$4,560. For the 2003-2004 school year,
15 the Foundation Level of support is \$5,080. For the 2004-2005
16 school year, the Foundation Level of support is \$5,490.

17 (3) For the 2005-2006 ~~2001-2002~~ school year and each
18 school year thereafter, the Foundation Level of support is
19 \$5,900 ~~\$4,560~~ or such greater amount as may be established by
20 law by the General Assembly.

21 (C) Average Daily Attendance.

22 (1) For purposes of calculating general State aid
23 pursuant to subsection (E), an Average Daily Attendance
24 figure shall be utilized. The Average Daily Attendance
25 figure for formula calculation purposes shall be the monthly
26 average of the actual number of pupils in attendance of each
27 school district, as further averaged for the best 3 months of
28 pupil attendance for each school district. In compiling the
29 figures for the number of pupils in attendance, school
30 districts and the State Board of Education shall, for
31 purposes of general State aid funding, conform attendance
32 figures to the requirements of subsection (F).

33 (2) The Average Daily Attendance figures utilized in
34 subsection (E) shall be the requisite attendance data for the

1 school year immediately preceding the school year for which
2 general State aid is being calculated or the average of the
3 attendance data for the 3 preceding school years, whichever
4 is greater. The Average Daily Attendance figures utilized in
5 subsection (H) shall be the requisite attendance data for the
6 school year immediately preceding the school year for which
7 general State aid is being calculated.

8 (D) Available Local Resources.

9 (1) For purposes of calculating general State aid
10 pursuant to subsection (E), a representation of Available
11 Local Resources per pupil, as that term is defined and
12 determined in this subsection, shall be utilized. Available
13 Local Resources per pupil shall include a calculated dollar
14 amount representing local school district revenues from local
15 property taxes and from Corporate Personal Property
16 Replacement Taxes, expressed on the basis of pupils in
17 Average Daily Attendance.

18 (2) In determining a school district's revenue from
19 local property taxes, the State Board of Education shall
20 utilize the equalized assessed valuation of all taxable
21 property of each school district as of September 30 of the
22 previous year. The equalized assessed valuation utilized
23 shall be obtained and determined as provided in subsection
24 (G).

25 (3) For school districts maintaining grades kindergarten
26 through 12, local property tax revenues per pupil shall be
27 calculated as the product of the applicable equalized
28 assessed valuation for the district multiplied by 3.00%, and
29 divided by the district's Average Daily Attendance figure.
30 For school districts maintaining grades kindergarten through
31 8, local property tax revenues per pupil shall be calculated
32 as the product of the applicable equalized assessed valuation
33 for the district multiplied by 2.30%, and divided by the
34 district's Average Daily Attendance figure. For school

1 districts maintaining grades 9 through 12, local property tax
2 revenues per pupil shall be the applicable equalized assessed
3 valuation of the district multiplied by 1.05%, and divided by
4 the district's Average Daily Attendance figure.

5 (4) The Corporate Personal Property Replacement Taxes
6 paid to each school district during the calendar year 2 years
7 before the calendar year in which a school year begins,
8 divided by the Average Daily Attendance figure for that
9 district, shall be added to the local property tax revenues
10 per pupil as derived by the application of the immediately
11 preceding paragraph (3). The sum of these per pupil figures
12 for each school district shall constitute Available Local
13 Resources as that term is utilized in subsection (E) in the
14 calculation of general State aid.

15 (E) Computation of General State Aid.

16 (1) For each school year, the amount of general State
17 aid allotted to a school district shall be computed by the
18 State Board of Education as provided in this subsection.

19 (2) For any school district for which Available Local
20 Resources per pupil is less than the product of 0.93 times
21 the Foundation Level, general State aid for that district
22 shall be calculated as an amount equal to the Foundation
23 Level minus Available Local Resources, multiplied by the
24 Average Daily Attendance of the school district.

25 (3) For any school district for which Available Local
26 Resources per pupil is equal to or greater than the product
27 of 0.93 times the Foundation Level and less than the product
28 of 1.75 times the Foundation Level, the general State aid per
29 pupil shall be a decimal proportion of the Foundation Level
30 derived using a linear algorithm. Under this linear
31 algorithm, the calculated general State aid per pupil shall
32 decline in direct linear fashion from 0.07 times the
33 Foundation Level for a school district with Available Local
34 Resources equal to the product of 0.93 times the Foundation

1 Level, to 0.05 times the Foundation Level for a school
2 district with Available Local Resources equal to the product
3 of 1.75 times the Foundation Level. The allocation of
4 general State aid for school districts subject to this
5 paragraph 3 shall be the calculated general State aid per
6 pupil figure multiplied by the Average Daily Attendance of
7 the school district.

8 (4) For any school district for which Available Local
9 Resources per pupil equals or exceeds the product of 1.75
10 times the Foundation Level, the general State aid for the
11 school district shall be calculated as the product of \$218
12 multiplied by the Average Daily Attendance of the school
13 district.

14 (5) The amount of general State aid allocated to a
15 school district for the 1999-2000 school year meeting the
16 requirements set forth in paragraph (4) of subsection (G)
17 shall be increased by an amount equal to the general State
18 aid that would have been received by the district for the
19 1998-1999 school year by utilizing the Extension Limitation
20 Equalized Assessed Valuation as calculated in paragraph (4)
21 of subsection (G) less the general State aid allotted for the
22 1998-1999 school year. This amount shall be deemed a one
23 time increase, and shall not affect any future general State
24 aid allocations.

25 (F) Compilation of Average Daily Attendance.

26 (1) Each school district shall, by July 1 of each year,
27 submit to the State Board of Education, on forms prescribed
28 by the State Board of Education, attendance figures for the
29 school year that began in the preceding calendar year. The
30 attendance information so transmitted shall identify the
31 average daily attendance figures for each month of the school
32 year. Beginning with the general State aid claim form for
33 the 2002-2003 school year, districts shall calculate Average
34 Daily Attendance as provided in subdivisions (a), (b), and

1 (c) of this paragraph (1).

2 (a) In districts that do not hold year-round
3 classes, days of attendance in August shall be added to
4 the month of September and any days of attendance in June
5 shall be added to the month of May.

6 (b) In districts in which all buildings hold
7 year-round classes, days of attendance in July and August
8 shall be added to the month of September and any days of
9 attendance in June shall be added to the month of May.

10 (c) In districts in which some buildings, but not
11 all, hold year-round classes, for the non-year-round
12 buildings, days of attendance in August shall be added to
13 the month of September and any days of attendance in June
14 shall be added to the month of May. The average daily
15 attendance for the year-round buildings shall be computed
16 as provided in subdivision (b) of this paragraph (1). To
17 calculate the Average Daily Attendance for the district,
18 the average daily attendance for the year-round buildings
19 shall be multiplied by the days in session for the
20 non-year-round buildings for each month and added to the
21 monthly attendance of the non-year-round buildings.

22 Except as otherwise provided in this Section, days of
23 attendance by pupils shall be counted only for sessions of
24 not less than 5 clock hours of school work per day under
25 direct supervision of: (i) teachers, or (ii) non-teaching
26 personnel or volunteer personnel when engaging in
27 non-teaching duties and supervising in those instances
28 specified in subsection (a) of Section 10-22.34 and paragraph
29 10 of Section 34-18, with pupils of legal school age and in
30 kindergarten and grades 1 through 12.

31 Days of attendance by tuition pupils shall be accredited
32 only to the districts that pay the tuition to a recognized
33 school.

34 (2) Days of attendance by pupils of less than 5 clock

1 hours of school shall be subject to the following provisions
2 in the compilation of Average Daily Attendance.

3 (a) Pupils regularly enrolled in a public school
4 for only a part of the school day may be counted on the
5 basis of 1/6 day for every class hour of instruction of
6 40 minutes or more attended pursuant to such enrollment,
7 unless a pupil is enrolled in a block-schedule format of
8 80 minutes or more of instruction, in which case the
9 pupil may be counted on the basis of the proportion of
10 minutes of school work completed each day to the minimum
11 number of minutes that school work is required to be held
12 that day.

13 (b) Days of attendance may be less than 5 clock
14 hours on the opening and closing of the school term, and
15 upon the first day of pupil attendance, if preceded by a
16 day or days utilized as an institute or teachers'
17 workshop.

18 (c) A session of 4 or more clock hours may be
19 counted as a day of attendance upon certification by the
20 regional superintendent, and approved by the State
21 Superintendent of Education to the extent that the
22 district has been forced to use daily multiple sessions.

23 (d) A session of 3 or more clock hours may be
24 counted as a day of attendance (1) when the remainder of
25 the school day or at least 2 hours in the evening of that
26 day is utilized for an in-service training program for
27 teachers, up to a maximum of 5 days per school year of
28 which a maximum of 4 days of such 5 days may be used for
29 parent-teacher conferences, provided a district conducts
30 an in-service training program for teachers which has
31 been approved by the State Superintendent of Education;
32 or, in lieu of 4 such days, 2 full days may be used, in
33 which event each such day may be counted as a day of
34 attendance; and (2) when days in addition to those

1 provided in item (1) are scheduled by a school pursuant
2 to its school improvement plan adopted under Article 34
3 or its revised or amended school improvement plan adopted
4 under Article 2, provided that (i) such sessions of 3 or
5 more clock hours are scheduled to occur at regular
6 intervals, (ii) the remainder of the school days in which
7 such sessions occur are utilized for in-service training
8 programs or other staff development activities for
9 teachers, and (iii) a sufficient number of minutes of
10 school work under the direct supervision of teachers are
11 added to the school days between such regularly scheduled
12 sessions to accumulate not less than the number of
13 minutes by which such sessions of 3 or more clock hours
14 fall short of 5 clock hours. Any full days used for the
15 purposes of this paragraph shall not be considered for
16 computing average daily attendance. Days scheduled for
17 in-service training programs, staff development
18 activities, or parent-teacher conferences may be
19 scheduled separately for different grade levels and
20 different attendance centers of the district.

21 (e) A session of not less than one clock hour of
22 teaching hospitalized or homebound pupils on-site or by
23 telephone to the classroom may be counted as 1/2 day of
24 attendance, however these pupils must receive 4 or more
25 clock hours of instruction to be counted for a full day
26 of attendance.

27 (f) A session of at least 4 clock hours may be
28 counted as a day of attendance for first grade pupils,
29 and pupils in full day kindergartens, and a session of 2
30 or more hours may be counted as 1/2 day of attendance by
31 pupils in kindergartens which provide only 1/2 day of
32 attendance.

33 (g) For children with disabilities who are below
34 the age of 6 years and who cannot attend 2 or more clock

1 hours because of their disability or immaturity, a
2 session of not less than one clock hour may be counted as
3 1/2 day of attendance; however for such children whose
4 educational needs so require a session of 4 or more clock
5 hours may be counted as a full day of attendance.

6 (h) A recognized kindergarten which provides for
7 only 1/2 day of attendance by each pupil shall not have
8 more than 1/2 day of attendance counted in any one day.
9 However, kindergartens may count 2 1/2 days of attendance
10 in any 5 consecutive school days. When a pupil attends
11 such a kindergarten for 2 half days on any one school
12 day, the pupil shall have the following day as a day
13 absent from school, unless the school district obtains
14 permission in writing from the State Superintendent of
15 Education. Attendance at kindergartens which provide for
16 a full day of attendance by each pupil shall be counted
17 the same as attendance by first grade pupils. Only the
18 first year of attendance in one kindergarten shall be
19 counted, except in case of children who entered the
20 kindergarten in their fifth year whose educational
21 development requires a second year of kindergarten as
22 determined under the rules and regulations of the State
23 Board of Education.

24 (G) Equalized Assessed Valuation Data.

25 (1) For purposes of the calculation of Available Local
26 Resources required pursuant to subsection (D), the State
27 Board of Education shall secure from the Department of
28 Revenue the value as equalized or assessed by the Department
29 of Revenue of all taxable property of every school district,
30 together with (i) the applicable tax rate used in extending
31 taxes for the funds of the district as of September 30 of the
32 previous year and (ii) the limiting rate for all school
33 districts subject to property tax extension limitations as
34 imposed under the Property Tax Extension Limitation Law.

1 This equalized assessed valuation, as adjusted further by
2 the requirements of this subsection, shall be utilized in the
3 calculation of Available Local Resources.

4 (2) The equalized assessed valuation in paragraph (1)
5 shall be adjusted, as applicable, in the following manner:

6 (a) For the purposes of calculating State aid under
7 this Section, with respect to any part of a school
8 district within a redevelopment project area in respect
9 to which a municipality has adopted tax increment
10 allocation financing pursuant to the Tax Increment
11 Allocation Redevelopment Act, Sections 11-74.4-1 through
12 11-74.4-11 of the Illinois Municipal Code or the
13 Industrial Jobs Recovery Law, Sections 11-74.6-1 through
14 11-74.6-50 of the Illinois Municipal Code, no part of the
15 current equalized assessed valuation of real property
16 located in any such project area which is attributable to
17 an increase above the total initial equalized assessed
18 valuation of such property shall be used as part of the
19 equalized assessed valuation of the district, until such
20 time as all redevelopment project costs have been paid,
21 as provided in Section 11-74.4-8 of the Tax Increment
22 Allocation Redevelopment Act or in Section 11-74.6-35 of
23 the Industrial Jobs Recovery Law. For the purpose of the
24 equalized assessed valuation of the district, the total
25 initial equalized assessed valuation or the current
26 equalized assessed valuation, whichever is lower, shall
27 be used until such time as all redevelopment project
28 costs have been paid.

29 (b) The real property equalized assessed valuation
30 for a school district shall be adjusted by subtracting
31 from the real property value as equalized or assessed by
32 the Department of Revenue for the district an amount
33 computed by dividing the amount of any abatement of taxes
34 under Section 18-170 of the Property Tax Code by 3.00%

1 for a district maintaining grades kindergarten through
2 12, by 2.30% for a district maintaining grades
3 kindergarten through 8, or by 1.05% for a district
4 maintaining grades 9 through 12 and adjusted by an amount
5 computed by dividing the amount of any abatement of taxes
6 under subsection (a) of Section 18-165 of the Property
7 Tax Code by the same percentage rates for district type
8 as specified in this subparagraph (b).

9 (3) For the 1999-2000 school year and each school year
10 thereafter, if a school district meets all of the criteria of
11 this subsection (G)(3), the school district's Available Local
12 Resources shall be calculated under subsection (D) using the
13 district's Extension Limitation Equalized Assessed Valuation
14 as calculated under this subsection (G)(3).

15 For purposes of this subsection (G)(3) the following
16 terms shall have the following meanings:

17 "Budget Year": The school year for which general
18 State aid is calculated and awarded under subsection (E).

19 "Base Tax Year": The property tax levy year used to
20 calculate the Budget Year allocation of general State
21 aid.

22 "Preceding Tax Year": The property tax levy year
23 immediately preceding the Base Tax Year.

24 "Base Tax Year's Tax Extension": The product of the
25 equalized assessed valuation utilized by the County Clerk
26 in the Base Tax Year multiplied by the limiting rate as
27 calculated by the County Clerk and defined in the
28 Property Tax Extension Limitation Law.

29 "Preceding Tax Year's Tax Extension": The product of
30 the equalized assessed valuation utilized by the County
31 Clerk in the Preceding Tax Year multiplied by the
32 Operating Tax Rate as defined in subsection (A).

33 "Extension Limitation Ratio": A numerical ratio,
34 certified by the County Clerk, in which the numerator is

1 the Base Tax Year's Tax Extension and the denominator is
2 the Preceding Tax Year's Tax Extension.

3 "Operating Tax Rate": The operating tax rate as
4 defined in subsection (A).

5 If a school district is subject to property tax extension
6 limitations as imposed under the Property Tax Extension
7 Limitation Law, the State Board of Education shall calculate
8 the Extension Limitation Equalized Assessed Valuation of that
9 district. For the 1999-2000 school year, the Extension
10 Limitation Equalized Assessed Valuation of a school district
11 as calculated by the State Board of Education shall be equal
12 to the product of the district's 1996 Equalized Assessed
13 Valuation and the district's Extension Limitation Ratio. For
14 the 2000-2001 school year and each school year thereafter,
15 the Extension Limitation Equalized Assessed Valuation of a
16 school district as calculated by the State Board of Education
17 shall be equal to the product of the Equalized Assessed
18 Valuation last used in the calculation of general State aid
19 and the district's Extension Limitation Ratio. If the
20 Extension Limitation Equalized Assessed Valuation of a school
21 district as calculated under this subsection (G)(3) is less
22 than the district's equalized assessed valuation as
23 calculated pursuant to subsections (G)(1) and (G)(2), then
24 for purposes of calculating the district's general State aid
25 for the Budget Year pursuant to subsection (E), that
26 Extension Limitation Equalized Assessed Valuation shall be
27 utilized to calculate the district's Available Local
28 Resources under subsection (D).

29 (4) For the purposes of calculating general State aid
30 for the 1999-2000 school year only, if a school district
31 experienced a triennial reassessment on the equalized
32 assessed valuation used in calculating its general State
33 financial aid apportionment for the 1998-1999 school year,
34 the State Board of Education shall calculate the Extension

1 Limitation Equalized Assessed Valuation that would have been
2 used to calculate the district's 1998-1999 general State aid.
3 This amount shall equal the product of the equalized assessed
4 valuation used to calculate general State aid for the
5 1997-1998 school year and the district's Extension Limitation
6 Ratio. If the Extension Limitation Equalized Assessed
7 Valuation of the school district as calculated under this
8 paragraph (4) is less than the district's equalized assessed
9 valuation utilized in calculating the district's 1998-1999
10 general State aid allocation, then for purposes of
11 calculating the district's general State aid pursuant to
12 paragraph (5) of subsection (E), that Extension Limitation
13 Equalized Assessed Valuation shall be utilized to calculate
14 the district's Available Local Resources.

15 (5) For school districts having a majority of their
16 equalized assessed valuation in any county except Cook,
17 DuPage, Kane, Lake, McHenry, or Will, if the amount of
18 general State aid allocated to the school district for the
19 1999-2000 school year under the provisions of subsection (E),
20 (H), and (J) of this Section is less than the amount of
21 general State aid allocated to the district for the 1998-1999
22 school year under these subsections, then the general State
23 aid of the district for the 1999-2000 school year only shall
24 be increased by the difference between these amounts. The
25 total payments made under this paragraph (5) shall not exceed
26 \$14,000,000. Claims shall be prorated if they exceed
27 \$14,000,000.

28 (H) Supplemental General State Aid.

29 (1) In addition to the general State aid a school
30 district is allotted pursuant to subsection (E), qualifying
31 school districts shall receive a grant, paid in conjunction
32 with a district's payments of general State aid, for
33 supplemental general State aid based upon the concentration
34 level of children from low-income households within the

1 school district. Supplemental State aid grants provided for
2 school districts under this subsection shall be appropriated
3 for distribution to school districts as part of the same line
4 item in which the general State financial aid of school
5 districts is appropriated under this Section.

6 (1.5) This paragraph (1.5) applies only to those school
7 years preceding the 2003-2004 school year. For purposes of
8 this subsection (H), the term "Low-Income Concentration
9 Level" shall be the low-income eligible pupil count from the
10 most recently available federal census divided by the Average
11 Daily Attendance of the school district. If, however, (i) the
12 percentage decrease from the 2 most recent federal censuses
13 in the low-income eligible pupil count of a high school
14 district with fewer than 400 students exceeds by 75% or more
15 the percentage change in the total low-income eligible pupil
16 count of contiguous elementary school districts, whose
17 boundaries are coterminous with the high school district, or
18 (ii) a high school district within 2 counties and serving 5
19 elementary school districts, whose boundaries are coterminous
20 with the high school district, has a percentage decrease from
21 the 2 most recent federal censuses in the low-income eligible
22 pupil count and there is a percentage increase in the total
23 low-income eligible pupil count of a majority of the
24 elementary school districts in excess of 50% from the 2 most
25 recent federal censuses, then the high school district's
26 low-income eligible pupil count from the earlier federal
27 census shall be the number used as the low-income eligible
28 pupil count for the high school district, for purposes of
29 this subsection (H). The changes made to this paragraph (1)
30 by Public Act 92-28 shall apply to supplemental general State
31 aid grants for school years preceding the 2003-2004 school
32 year that are paid in fiscal year 1999 ~~or and-in-each-fiscal~~
33 year thereafter and to any State aid payments made in fiscal
34 year 1994 through fiscal year 1998 pursuant to subsection

1 1(n) of Section 18-8 of this Code (which was repealed on July
2 1, 1998), and any high school district that is affected by
3 Public Act 92-28 is entitled to a recomputation of its
4 supplemental general State aid grant or State aid paid in any
5 of those fiscal years. This recomputation shall not be
6 affected by any other funding.

7 (1.10) This paragraph (1.10) applies to the 2003-2004
8 school year and each school year thereafter. For purposes of
9 this subsection (4), the term "Low Income Concentration
10 Level" shall be the low income eligible pupil count (as
11 determined by the Department of Human Services based on the
12 number of pupils who are eligible for at least one of the
13 following low income programs: Medicaid, KidCare, TANF, and
14 Food Stamps) divided by the Average Daily Attendance of the
15 school district.

16 (2) Supplemental general State aid pursuant to this
17 subsection (H) shall be provided as follows for the
18 1998-1999, 1999-2000, and 2000-2001 school years only:

19 (a) For any school district with a Low Income
20 Concentration Level of at least 20% and less than 35%,
21 the grant for any school year shall be \$800 multiplied by
22 the low income eligible pupil count.

23 (b) For any school district with a Low Income
24 Concentration Level of at least 35% and less than 50%,
25 the grant for the 1998-1999 school year shall be \$1,100
26 multiplied by the low income eligible pupil count.

27 (c) For any school district with a Low Income
28 Concentration Level of at least 50% and less than 60%,
29 the grant for the 1998-99 school year shall be \$1,500
30 multiplied by the low income eligible pupil count.

31 (d) For any school district with a Low Income
32 Concentration Level of 60% or more, the grant for the
33 1998-99 school year shall be \$1,900 multiplied by the low
34 income eligible pupil count.

1 (e) For the 1999-2000 school year, the per pupil
2 amount specified in subparagraphs (b), (c), and (d)
3 immediately above shall be increased to \$1,243, \$1,600,
4 and \$2,000, respectively.

5 (f) For the 2000-2001 school year, the per pupil
6 amounts specified in subparagraphs (b), (c), and (d)
7 immediately above shall be \$1,273, \$1,640, and \$2,050,
8 respectively.

9 (2.5) Supplemental general State aid pursuant to this
10 subsection (H) shall be provided as follows for the 2002-2003
11 school year ~~and each school year thereafter~~:

12 (a) For any school district with a Low Income
13 Concentration Level of less than 10%, the grant for each
14 school year shall be \$355 multiplied by the low income
15 eligible pupil count.

16 (b) For any school district with a Low Income
17 Concentration Level of at least 10% and less than 20%,
18 the grant for each school year shall be \$675 multiplied
19 by the low income eligible pupil count.

20 (c) For any school district with a Low Income
21 Concentration Level of at least 20% and less than 35%,
22 the grant for each school year shall be \$1,330 multiplied
23 by the low income eligible pupil count.

24 (d) For any school district with a Low Income
25 Concentration Level of at least 35% and less than 50%,
26 the grant for each school year shall be \$1,362 multiplied
27 by the low income eligible pupil count.

28 (e) For any school district with a Low Income
29 Concentration Level of at least 50% and less than 60%,
30 the grant for each school year shall be \$1,680 multiplied
31 by the low income eligible pupil count.

32 (f) For any school district with a Low Income
33 Concentration Level of 60% or more, the grant for each
34 school year shall be \$2,080 multiplied by the low income

1 eligible pupil count.

2 (2.10) Supplemental general State aid pursuant to this
3 subsection (H) shall be provided as follows for the 2003-2004
4 school year and each school year thereafter:

5 (a) For any school district with a Low Income
6 Concentration Level of 10% or less, the grant for each
7 school year shall be \$355 multiplied by the low income
8 eligible pupil count.

9 (b) For any school district with a Low Income
10 Concentration Level greater than 10% and less than 15%,
11 the grant for each school year shall be \$675 multiplied
12 by the low income eligible pupil count.

13 (c) For any school district with a Low Income
14 Concentration Level of at least 15% and less than 65%,
15 the grant for each school year shall be \$532.50 plus the
16 product of \$950 and the Low Income Concentration Level,
17 all multiplied by the low income eligible pupil count.

18 (d) For any school district with a Low Income
19 Concentration Level of 65% or more, the grant for each
20 school year shall be the product of \$5,286 and the Low
21 Income Concentration Level, minus \$2,285.71, all
22 multiplied by the low income eligible pupil count.

23 (3) School districts with an Average Daily Attendance of
24 more than 1,000 and less than 50,000 that qualify for
25 supplemental general State aid pursuant to this subsection
26 shall submit a plan to the State Board of Education prior to
27 October 30 of each year for the use of the funds resulting
28 from this grant of supplemental general State aid for the
29 improvement of instruction in which priority is given to
30 meeting the education needs of disadvantaged children. Such
31 plan shall be submitted in accordance with rules and
32 regulations promulgated by the State Board of Education.

33 (4) School districts with an Average Daily Attendance of
34 50,000 or more that qualify for supplemental general State

1 aid pursuant to this subsection shall be required to
2 distribute from funds available pursuant to this Section, no
3 less than \$261,000,000 in accordance with the following
4 requirements:

5 (a) The required amounts shall be distributed to
6 the attendance centers within the district in proportion
7 to the number of pupils enrolled at each attendance
8 center who are eligible to receive free or reduced-price
9 lunches or breakfasts under the federal Child Nutrition
10 Act of 1966 and under the National School Lunch Act
11 during the immediately preceding school year.

12 (b) The distribution of these portions of
13 supplemental and general State aid among attendance
14 centers according to these requirements shall not be
15 compensated for or contravened by adjustments of the
16 total of other funds appropriated to any attendance
17 centers, and the Board of Education shall utilize funding
18 from one or several sources in order to fully implement
19 this provision annually prior to the opening of school.

20 (c) Each attendance center shall be provided by the
21 school district a distribution of noncategorical funds
22 and other categorical funds to which an attendance center
23 is entitled under law in order that the general State aid
24 and supplemental general State aid provided by
25 application of this subsection supplements rather than
26 supplants the noncategorical funds and other categorical
27 funds provided by the school district to the attendance
28 centers.

29 (d) Any funds made available under this subsection
30 that by reason of the provisions of this subsection are
31 not required to be allocated and provided to attendance
32 centers may be used and appropriated by the board of the
33 district for any lawful school purpose.

34 (e) Funds received by an attendance center pursuant

1 to this subsection shall be used by the attendance center
2 at the discretion of the principal and local school
3 council for programs to improve educational opportunities
4 at qualifying schools through the following programs and
5 services: early childhood education, reduced class size
6 or improved adult to student classroom ratio, enrichment
7 programs, remedial assistance, attendance improvement,
8 and other educationally beneficial expenditures which
9 supplement the regular and basic programs as determined
10 by the State Board of Education. Funds provided shall not
11 be expended for any political or lobbying purposes as
12 defined by board rule.

13 (f) Each district subject to the provisions of this
14 subdivision (H)(4) shall submit an acceptable plan to
15 meet the educational needs of disadvantaged children, in
16 compliance with the requirements of this paragraph, to
17 the State Board of Education prior to July 15 of each
18 year. This plan shall be consistent with the decisions of
19 local school councils concerning the school expenditure
20 plans developed in accordance with part 4 of Section
21 34-2.3. The State Board shall approve or reject the plan
22 within 60 days after its submission. If the plan is
23 rejected, the district shall give written notice of
24 intent to modify the plan within 15 days of the
25 notification of rejection and then submit a modified plan
26 within 30 days after the date of the written notice of
27 intent to modify. Districts may amend approved plans
28 pursuant to rules promulgated by the State Board of
29 Education.

30 Upon notification by the State Board of Education
31 that the district has not submitted a plan prior to July
32 15 or a modified plan within the time period specified
33 herein, the State aid funds affected by that plan or
34 modified plan shall be withheld by the State Board of

1 Education until a plan or modified plan is submitted.

2 If the district fails to distribute State aid to
3 attendance centers in accordance with an approved plan,
4 the plan for the following year shall allocate funds, in
5 addition to the funds otherwise required by this
6 subsection, to those attendance centers which were
7 underfunded during the previous year in amounts equal to
8 such underfunding.

9 For purposes of determining compliance with this
10 subsection in relation to the requirements of attendance
11 center funding, each district subject to the provisions
12 of this subsection shall submit as a separate document by
13 December 1 of each year a report of expenditure data for
14 the prior year in addition to any modification of its
15 current plan. If it is determined that there has been a
16 failure to comply with the expenditure provisions of this
17 subsection regarding contravention or supplanting, the
18 State Superintendent of Education shall, within 60 days
19 of receipt of the report, notify the district and any
20 affected local school council. The district shall within
21 45 days of receipt of that notification inform the State
22 Superintendent of Education of the remedial or corrective
23 action to be taken, whether by amendment of the current
24 plan, if feasible, or by adjustment in the plan for the
25 following year. Failure to provide the expenditure
26 report or the notification of remedial or corrective
27 action in a timely manner shall result in a withholding
28 of the affected funds.

29 The State Board of Education shall promulgate rules
30 and regulations to implement the provisions of this
31 subsection. No funds shall be released under this
32 subdivision (H)(4) to any district that has not submitted
33 a plan that has been approved by the State Board of
34 Education.

1 (I) General State Aid for Newly Configured School Districts.

2 (1) For a new school district formed by combining
3 property included totally within 2 or more previously
4 existing school districts, for its first year of existence
5 the general State aid and supplemental general State aid
6 calculated under this Section shall be computed for the new
7 district and for the previously existing districts for which
8 property is totally included within the new district. If the
9 computation on the basis of the previously existing districts
10 is greater, a supplementary payment equal to the difference
11 shall be made for the first 4 years of existence of the new
12 district.

13 (2) For a school district which annexes all of the
14 territory of one or more entire other school districts, for
15 the first year during which the change of boundaries
16 attributable to such annexation becomes effective for all
17 purposes as determined under Section 7-9 or 7A-8, the general
18 State aid and supplemental general State aid calculated under
19 this Section shall be computed for the annexing district as
20 constituted after the annexation and for the annexing and
21 each annexed district as constituted prior to the annexation;
22 and if the computation on the basis of the annexing and
23 annexed districts as constituted prior to the annexation is
24 greater, a supplementary payment equal to the difference
25 shall be made for the first 4 years of existence of the
26 annexing school district as constituted upon such annexation.

27 (3) For 2 or more school districts which annex all of
28 the territory of one or more entire other school districts,
29 and for 2 or more community unit districts which result upon
30 the division (pursuant to petition under Section 11A-2) of
31 one or more other unit school districts into 2 or more parts
32 and which together include all of the parts into which such
33 other unit school district or districts are so divided, for
34 the first year during which the change of boundaries

1 attributable to such annexation or division becomes effective
2 for all purposes as determined under Section 7-9 or 11A-10,
3 as the case may be, the general State aid and supplemental
4 general State aid calculated under this Section shall be
5 computed for each annexing or resulting district as
6 constituted after the annexation or division and for each
7 annexing and annexed district, or for each resulting and
8 divided district, as constituted prior to the annexation or
9 division; and if the aggregate of the general State aid and
10 supplemental general State aid as so computed for the
11 annexing or resulting districts as constituted after the
12 annexation or division is less than the aggregate of the
13 general State aid and supplemental general State aid as so
14 computed for the annexing and annexed districts, or for the
15 resulting and divided districts, as constituted prior to the
16 annexation or division, then a supplementary payment equal to
17 the difference shall be made and allocated between or among
18 the annexing or resulting districts, as constituted upon such
19 annexation or division, for the first 4 years of their
20 existence. The total difference payment shall be allocated
21 between or among the annexing or resulting districts in the
22 same ratio as the pupil enrollment from that portion of the
23 annexed or divided district or districts which is annexed to
24 or included in each such annexing or resulting district bears
25 to the total pupil enrollment from the entire annexed or
26 divided district or districts, as such pupil enrollment is
27 determined for the school year last ending prior to the date
28 when the change of boundaries attributable to the annexation
29 or division becomes effective for all purposes. The amount
30 of the total difference payment and the amount thereof to be
31 allocated to the annexing or resulting districts shall be
32 computed by the State Board of Education on the basis of
33 pupil enrollment and other data which shall be certified to
34 the State Board of Education, on forms which it shall provide

1 for that purpose, by the regional superintendent of schools
2 for each educational service region in which the annexing and
3 annexed districts, or resulting and divided districts are
4 located.

5 (3.5) Claims for financial assistance under this
6 subsection (I) shall not be recomputed except as expressly
7 provided under this Section.

8 (4) Any supplementary payment made under this subsection
9 (I) shall be treated as separate from all other payments made
10 pursuant to this Section.

11 (J) Supplementary Grants in Aid.

12 (1) Notwithstanding any other provisions of this
13 Section, the amount of the aggregate general State aid in
14 combination with supplemental general State aid under this
15 Section for which each school district is eligible shall be
16 no less than the amount of the aggregate general State aid
17 entitlement that was received by the district under Section
18 18-8 (exclusive of amounts received under subsections 5(p)
19 and 5(p-5) of that Section) for the 1997-98 school year,
20 pursuant to the provisions of that Section as it was then in
21 effect. If a school district qualifies to receive a
22 supplementary payment made under this subsection (J), the
23 amount of the aggregate general State aid in combination with
24 supplemental general State aid under this Section which that
25 district is eligible to receive for each school year shall be
26 no less than the amount of the aggregate general State aid
27 entitlement that was received by the district under Section
28 18-8 (exclusive of amounts received under subsections 5(p)
29 and 5(p-5) of that Section) for the 1997-1998 school year,
30 pursuant to the provisions of that Section as it was then in
31 effect.

32 (2) If, as provided in paragraph (1) of this subsection
33 (J), a school district is to receive aggregate general State
34 aid in combination with supplemental general State aid under

1 this Section for the 1998-99 school year and any subsequent
2 school year that in any such school year is less than the
3 amount of the aggregate general State aid entitlement that
4 the district received for the 1997-98 school year, the school
5 district shall also receive, from a separate appropriation
6 made for purposes of this subsection (J), a supplementary
7 payment that is equal to the amount of the difference in the
8 aggregate State aid figures as described in paragraph (1).

9 (3) (Blank).

10 (K) Grants to Laboratory and Alternative Schools.

11 In calculating the amount to be paid to the governing
12 board of a public university that operates a laboratory
13 school under this Section or to any alternative school that
14 is operated by a regional superintendent of schools, the
15 State Board of Education shall require by rule such reporting
16 requirements as it deems necessary.

17 As used in this Section, "laboratory school" means a
18 public school which is created and operated by a public
19 university and approved by the State Board of Education. The
20 governing board of a public university which receives funds
21 from the State Board under this subsection (K) may not
22 increase the number of students enrolled in its laboratory
23 school from a single district, if that district is already
24 sending 50 or more students, except under a mutual agreement
25 between the school board of a student's district of residence
26 and the university which operates the laboratory school. A
27 laboratory school may not have more than 1,000 students,
28 excluding students with disabilities in a special education
29 program.

30 As used in this Section, "alternative school" means a
31 public school which is created and operated by a Regional
32 Superintendent of Schools and approved by the State Board of
33 Education. Such alternative schools may offer courses of
34 instruction for which credit is given in regular school

1 programs, courses to prepare students for the high school
2 equivalency testing program or vocational and occupational
3 training. A regional superintendent of schools may contract
4 with a school district or a public community college district
5 to operate an alternative school. An alternative school
6 serving more than one educational service region may be
7 established by the regional superintendents of schools of the
8 affected educational service regions. An alternative school
9 serving more than one educational service region may be
10 operated under such terms as the regional superintendents of
11 schools of those educational service regions may agree.

12 Each laboratory and alternative school shall file, on
13 forms provided by the State Superintendent of Education, an
14 annual State aid claim which states the Average Daily
15 Attendance of the school's students by month. The best 3
16 months' Average Daily Attendance shall be computed for each
17 school. The general State aid entitlement shall be computed
18 by multiplying the applicable Average Daily Attendance by the
19 Foundation Level as determined under this Section.

20 (L) Payments, Additional Grants in Aid and Other
21 Requirements.

22 (1) For a school district operating under the financial
23 supervision of an Authority created under Article 34A, the
24 general State aid otherwise payable to that district under
25 this Section, but not the supplemental general State aid,
26 shall be reduced by an amount equal to the budget for the
27 operations of the Authority as certified by the Authority to
28 the State Board of Education, and an amount equal to such
29 reduction shall be paid to the Authority created for such
30 district for its operating expenses in the manner provided in
31 Section 18-11. The remainder of general State school aid for
32 any such district shall be paid in accordance with Article
33 34A when that Article provides for a disposition other than
34 that provided by this Article.

1 (2) (Blank).

2 (3) Summer school. Summer school payments shall be made
3 as provided in Section 18-4.3.

4 (M) Education Funding Advisory Board.

5 The Education Funding Advisory Board, hereinafter in this
6 subsection (M) referred to as the "Board", is hereby created.
7 The Board shall consist of 5 members who are appointed by the
8 Governor, by and with the advice and consent of the Senate.
9 The members appointed shall include representatives of
10 education, business, and the general public. One of the
11 members so appointed shall be designated by the Governor at
12 the time the appointment is made as the chairperson of the
13 Board. The initial members of the Board may be appointed any
14 time after the effective date of this amendatory Act of 1997.
15 The regular term of each member of the Board shall be for 4
16 years from the third Monday of January of the year in which
17 the term of the member's appointment is to commence, except
18 that of the 5 initial members appointed to serve on the
19 Board, the member who is appointed as the chairperson shall
20 serve for a term that commences on the date of his or her
21 appointment and expires on the third Monday of January, 2002,
22 and the remaining 4 members, by lots drawn at the first
23 meeting of the Board that is held after all 5 members are
24 appointed, shall determine 2 of their number to serve for
25 terms that commence on the date of their respective
26 appointments and expire on the third Monday of January, 2001,
27 and 2 of their number to serve for terms that commence on the
28 date of their respective appointments and expire on the third
29 Monday of January, 2000. All members appointed to serve on
30 the Board shall serve until their respective successors are
31 appointed and confirmed. Vacancies shall be filled in the
32 same manner as original appointments. If a vacancy in
33 membership occurs at a time when the Senate is not in
34 session, the Governor shall make a temporary appointment

1 until the next meeting of the Senate, when he or she shall
2 appoint, by and with the advice and consent of the Senate, a
3 person to fill that membership for the unexpired term. If
4 the Senate is not in session when the initial appointments
5 are made, those appointments shall be made as in the case of
6 vacancies.

7 The Education Funding Advisory Board shall be deemed
8 established, and the initial members appointed by the
9 Governor to serve as members of the Board shall take office,
10 on the date that the Governor makes his or her appointment of
11 the fifth initial member of the Board, whether those initial
12 members are then serving pursuant to appointment and
13 confirmation or pursuant to temporary appointments that are
14 made by the Governor as in the case of vacancies.

15 The State Board of Education shall provide such staff
16 assistance to the Education Funding Advisory Board as is
17 reasonably required for the proper performance by the Board
18 of its responsibilities.

19 For school years after the 2000-2001 school year, the
20 Education Funding Advisory Board, in consultation with the
21 State Board of Education, shall make recommendations as
22 provided in this subsection (M) to the General Assembly for
23 the foundation level under subdivision (B)(3) of this Section
24 and for the supplemental general State aid grant level under
25 subsection (H) of this Section for districts with high
26 concentrations of children from poverty. The recommended
27 foundation level shall be determined based on a methodology
28 which incorporates the basic education expenditures of
29 low-spending schools exhibiting high academic performance.
30 The Education Funding Advisory Board shall make such
31 recommendations to the General Assembly on January 1 of odd
32 numbered years, beginning January 1, 2001.

33 (N) (Blank).

1 (0) References.

2 (1) References in other laws to the various subdivisions
3 of Section 18-8 as that Section existed before its repeal and
4 replacement by this Section 18-8.05 shall be deemed to refer
5 to the corresponding provisions of this Section 18-8.05, to
6 the extent that those references remain applicable.

7 (2) References in other laws to State Chapter 1 funds
8 shall be deemed to refer to the supplemental general State
9 aid provided under subsection (H) of this Section.

10 (Source: P.A. 91-24, eff. 7-1-99; 91-93, eff. 7-9-99; 91-96,
11 eff. 7-9-99; 91-111, eff. 7-14-99; 91-357, eff. 7-29-99;
12 91-533, eff. 8-13-99; 92-7, eff. 6-29-01; 92-16, eff.
13 6-28-01; 92-28, eff. 7-1-01; 92-29, eff. 7-1-01; 92-269, eff.
14 8-7-01; 92-604, eff. 7-1-02; 92-636, eff. 7-11-02; 92-651,
15 eff. 7-11-02; revised 7-26-02.)

16 Section 10. The State Aid Continuing Appropriation Law
17 is amended by changing Sections 15-10, 15-15, and 15-25 and
18 adding Section 15-21 as follows:

19 (105 ILCS 235/15-10)

20 (Section scheduled to be repealed on June 30, 2003)

21 Sec. 15-10. Annual budget; recommendation. The Governor
22 shall include a Common School Fund recommendation to the
23 State Board of Education in the ~~fiscal-year-1999-through-2003~~
24 annual Budget Budgets sufficient to fund ~~{i}~~ the General
25 State Aid Formula set forth in subsection (E) (Computation of
26 General State Aid) and subsection (H) (Supplemental General
27 State Aid) of Section 18-8.05 of the School Code and ~~{ii}~~ the
28 ~~supplementary--payments--for--school--districts--set--forth--in~~
29 ~~subsection--{J}--{Supplementary--Grants--in--Aid}--of--Section~~
30 ~~18-8.05-of-the-School-Code.~~

31 (Source: P.A. 92-7, eff. 6-29-01; 92-597, eff. 6-28-02.)

(105 ILCS 235/15-15)

(Section scheduled to be repealed on June 30, 2003)

Sec. 15-15. State Aid Formula; Funding. The General Assembly shall annually make Common School Fund appropriations to the State Board of Education ~~in fiscal years 1999 through 2003~~ sufficient to fund (i) the General State Aid Formula set forth in subsection (E) (Computation of General State Aid) and subsection (H) (Supplemental General State Aid) of Section 18-8.05 of the School Code ~~and (ii) the supplementary payments for school districts set forth in subsection (J) (Supplementary Grants in Aid) of Section 18-8.05 of the School Code.~~

(Source: P.A. 92-7, eff. 6-29-01; 92-597, eff. 6-28-02.)

(105 ILCS 235/15-21 new)

Sec. 15-21. Continuing appropriation. If the General Assembly fails to make Common School Fund appropriations to the State Board of Education in fiscal year 2004 or in any fiscal year thereafter sufficient to fund the General State Aid Formula set forth in subsection (E) (Computation of General State Aid) and subsection (H) (Supplemental General State Aid) of Section 18-8.05 of the School Code, this Law shall constitute an irrevocable and continuing appropriation from the Common School Fund of all amounts necessary for those purposes.

(105 ILCS 235/15-25)

(Section scheduled to be repealed on June 30, 2003)

Sec. 15-25. Repeal. ~~This Article is repealed June 30, 2003.~~ Section 15-20 of this Article is repealed June 30, 2002.

(Source: P.A. 92-7, eff. 6-29-01; 92-597, eff. 6-28-02.)

Section 99. Effective date. This Act takes effect on

1 July 1, 2003.